

EP40: New Legislative Session; New Laws in 2025

Welcome to the Landlord Logic Show, hosted by John Tiner. John is the owner and CEO of Tiner Property Management, a three-generation family business since 1976. Tiner Property Management expertly manages over 1,000 properties in the greater Sacramento area to place quality tenants quickly while minimizing your risk. John stays up-to-date on all the new laws and regulations and shares his knowledge with do-it-yourself landlords each week. The Landlord Logic Show with the Tiner Property Management Pros.

Joining us now, John Tiner, along with his wife and business partner, Jenny Tiner. Welcome to the Landlord Logic Show. We're so glad you're with us today and in the studio with me is my wife Jenny Tiner. Welcome Jenny. Thank you. Hi everybody. Thanks for listening.

So we are a property management firm and we manage about 1300 properties in the greater Sacramento area, mostly single family homes, middle to upper level properties, a lot of nice homes, many of them are million dollar houses also. So anything from kind of a little below the median price all the way up to luxury homes, and then about 100 duplexes, but no multifamily beyond that. So that's not our niche, we're specialists.

And because we have nicer properties and we have a very good screening selection process, we're able to do less than one tenth of a percent of our tenants get evicted each year. Or another way to say that is 99.9% of our tenants don't get evicted each year. So that's kind of our claim to fame and our niche in the market is excellent tenant selection and with that comes the rest of the services that are also excellent.

We have a good staff, 30 people now working. I know some property management firms may have 100 or even 200 accounts per person working in the office. I just don't think there's enough time to do a good job, no matter how much technology and employee. You just need more human resources. Tiny Properties has less than 50 doors per employee working in the company. That's probably artificially a little low because we have a pretty big onboarding team. We're growing so fast, words out that we're good at what we do, and so we have a pretty big onboarding team that kind of makes those numbers look a little lower. But all all through time, last several decades, we've run 50-60 doors per person working in the company. So that's a good ratio. It allows us to do a good job, have time to do things well.

Yeah. And one other thing too is we are signing up new accounts and sometimes people say 1300 year big. Well, we are big, but we are a small family business. They came from those roots, right? Family business. And we still believe in that the family still works in the company and we always say our clients will never feel that we're a big company because owners have the designated property manager, they can still reach out to John, he answers a phone all the time if needed.

I had two owners call me yesterday that had some challenges and I helped take care of them for them. So I always say that I will always be available to people who sign up for title property management. I'm a CEO, I have a lot of employees, and many of them know their job very well,

in many cases better than I can know it because they're all specialists, but I remain available to people. So we're big, but we're not too big to care or take care of people.

And the majority of our owners, some will be like, "Well, they're too big to take my one or two properties." Well, the majority of our clients have one or two properties. I think our estimated is, what, 1.7? We have... Doors per Owner. Yeah. We, I think, have one owner that has 10 or 12 properties, and that's probably the most. So a lot of times when you hear bigger firms, they have owners that have 50 or 100 doors, but ours are open ones, C's, G's, Z's. So we're very broad and diverse, and if you just have one rental property and you're a little shy about asking questions, don't be. That's the majority of our owners, and they're the same questions that everybody else wants to know too, and we're glad to share that information with you.

Yeah. In fact, we'll just tell you right now, if you wanna reach out to us, you can call us directly by dialing 916-974-6003 or check out our website at tiner.com. All the information that would get you started is available there also.

Like we just talked about, we are experts in what we do and what we love about this show is we also love sharing our information to you listeners. Today, want to jump in and try to cover topics that we've covered on prior shows, but we've covered like one new law over, you know, a big segment of the show. What we want to try to do for the rest of the show today is cover all the 2025 laws that pertain to property management that are relevant to single-family management and duplexes in one show.

Compliance, compliance. That's one of the big things with the property management is you have to follow these rules, whether you're a big property management money, or whether you manage yourself your own rentals. Everybody has to buy other rules, and not knowing them does not get you out of responsibility. And they change often, so not knowing it now, today, you know, you might wake up, you might know all of them, but you just have to know we'll look at everything tomorrow because things change often in this California state.

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Yes, but let's talk about 2025 laws. Number one, Assembly Bill 2493, and this has to do with rental applications and how you process them.

The old law was that if an application was processed and the applicant was denied, you had to refund them their application fee within seven days of when they were denied. Well, the new law states that the property manager has 21 days to return the application fee after rejecting an applicant. And not only that, you have to include a written explanation of why you rejected them. So that could be a big burden for some landlords, and if you have 100 applicants and you don't pick 99 of them, you would have to send out 99 denial letters explaining why they were denied, and make sure you're consistent about that, or else you could run into a fair housing violation.

That's right. I would say two things with that. One, you have to be consistent. If you send one out, you need to send them all out. If you don't, you could get in trouble. And two, this is a law

that we will follow to the letter, and it's not optional. But I will say it's a little ironic that you have to give a denial letter after someone didn't rent your property. If you applied at 10 places, you'd be getting 9 letters in the mail or by email that says, "Hey, sorry you didn't qualify." It seems like a lot of wasted paper, but that's the new rule.

So again, AB 2493: you have to refund the application fee within 21 days, and include a written denial letter explaining why.

The next one is Senate Bill 1017. This one is about utility billing practices. For multifamily housing with five or more units, if landlords bill tenants for utilities, they now have to disclose the utility billing practices and provide a written statement with the lease. And then every year, they must give tenants an annual statement with a breakdown of their utility charges.

This doesn't apply to single-family homes or duplexes, so it doesn't apply to us or most of our listeners, but I wanted to put it out there because we do get questions sometimes from owners who have small apartment buildings.

Right, and it is important to note that utilities have to be clearly disclosed. Even for single-family homes, we always say it's best to be clear about who pays what. If the tenant pays water, make sure it's written in the lease that they pay water. If you include lawn service, make sure that's in writing too. Communication upfront saves you a lot of headaches later.

Yes. Okay, next one is Assembly Bill 1418. This one prohibits local governments from requiring landlords to evict tenants or refuse to rent to someone based on arrests, criminal convictions, or alleged criminal activity. So basically, cities can't pass local ordinances that force landlords to deny housing to people with criminal records.

And this goes along with the fair housing push that's been happening for several years now, where they want to give people with a criminal background a fair chance to rent housing. And so this law basically says, "Cities, you can't make stricter rules than the state."

Correct. And as property managers, we're already careful about this. We do run background checks, but we look at the overall picture: income, rental history, credit, employment. A criminal record might be one factor, but it's not the only one. And you certainly can't have a blanket rule saying, "We don't rent to anyone with a criminal record." That's been illegal for a while, but now the state is making sure cities don't try to enforce something like that.

Okay, moving on. Assembly Bill 2187. This law requires landlords to allow tenants to pay rent through at least one form of electronic transfer, such as an app or online payment. You can't require tenants to pay only with checks or money orders anymore.

That's right. And in practice, we already do this. All of our tenants have access to an online portal where they can pay by ACH, debit card, or credit card. But there are still landlords out there who say, "Nope, you have to bring me a check," or "You have to give me a money order." That's not legal anymore. You must accept some form of electronic payment.

Yes, so that one's pretty straightforward. AB 2187: you have to accept electronic rent payments.

Next is Assembly Bill 2216. This one is about security deposits. Starting July 1, 2025, landlords can only collect one month's rent as a security deposit for unfurnished units, or two months if the property is furnished. Previously, landlords could collect up to two months for unfurnished and three months for furnished. So this reduces the amount you can collect.

Yes, this is a big one. Because think about it, if you have a \$3,000 rental, before you could collect \$6,000 as a deposit, now you can only collect \$3,000. That's a huge reduction. And in some cases, the deposit won't even cover the risk if the tenant damages the property or doesn't pay rent.

Right. And the reasoning behind this law is to make housing more affordable and accessible, because large deposits can be a barrier for tenants. But from a landlord's perspective, it increases the risk. So what do you do? You have to be even more careful with your screening. Make sure you're selecting tenants who are likely to take care of the property and pay rent on time, because you have less financial cushion if something goes wrong.

Yes, screening is more important than ever. And that's something we pride ourselves on at Tiner Property Management. We have a very thorough process, and it's why we have such a low eviction rate. But for do-it-yourself landlords, just be aware: the maximum deposit is now one month's rent for unfurnished, two for furnished.

Okay, the last one we'll cover today is Senate Bill 1201. This one expands the definition of harassment by a landlord. It now includes repeated or sustained actions that substantially interfere with a tenant's comfort, peace, or quiet enjoyment of the rental unit. So basically, if you're bothering your tenant, calling them constantly, showing up unannounced, things like that, it can be considered harassment.

That's right. And this is a reminder that tenants have rights, and landlords need to respect those rights. You can't just pop in whenever you want. You have to give proper notice, you have to respect their privacy, and you can't try to force them out by making their life uncomfortable. That's harassment.

Exactly. And for most good landlords, this won't be an issue. But it's important to know the law, because if a tenant claims harassment and you're not careful, you could end up in court.

So that covers the new laws for 2025 that impact single-family and duplex landlords. There are other laws that apply to larger apartment buildings, but we wanted to focus on the ones that are most relevant to our clients and listeners.

Yes, and the key takeaway is: stay informed, stay compliant, and if you're not sure, ask for help. That's what we're here for.

Exactly. If you want more information, you can call us at 916-974-6003 or visit our website at tiner.com. We're happy to answer your questions and help you manage your rental property the right way.

Alright, that's it for today's episode of the Landlord Logic Show. Thanks for listening, and we'll see you next time.